

907 KAR 1:042. Amounts payable for hospital furnished skilled nursing and intermediate care facility services.

RELATES TO: KRS 205.520

STATUTORY AUTHORITY: KRS 194A.030(2), 194A.050(1), 205.520(3), EO 2004-726

NECESSITY, FUNCTION, AND CONFORMITY: EO 2004-726, effective July 9, 2004, reorganized the Cabinet for Health Services and placed the Department for Medicaid Services and the Medicaid Program under the Cabinet for Health and Family Services. The Cabinet for Health and Family Services has responsibility to administer the program for Medical Assistance in accordance with Title XIX of the Social Security Act. KRS 205.520(3) empowers the cabinet, by administrative regulation, to comply with any requirement that may be imposed, or opportunity presented, by federal law for the provision of medical assistance to Kentucky's indigent citizenry. This administrative regulation sets forth the method for determining amounts payable by the cabinet for hospital furnished skilled nursing facility and intermediate care facility services.

Section 1. Reimbursement for Hospital Furnished Skilled Nursing and Intermediate Care Services. To qualify for reimbursement, any hospital(s) providing skilled nursing facility services and intermediate care facility services must have in effect an agreement with the secretary, Department of Health and Human Services, pursuant to Section 1883 of the Social Security Act, or be dual licensed (as provided for in KRS Chapter 216B) to provide skilled nursing and/or intermediate care services in an acute care hospital bed. Such hospital(s) shall be paid for swing-bed services provided pursuant to Section 1883 of the Act at a rate equal to the average rate per patient-day paid for routine services during the previous calendar year under the state's Title XIX plan to skilled nursing and intermediate care facilities, respectively, located in the state in which the hospital is located; for dual licensed skilled nursing or intermediate care services, such hospital shall be paid at a rate equal to the hospital based skilled nursing facility upper limit or intermediate care facility upper limit, as appropriate for the level of care provided, in effect at the time the service is provided. The reasonable cost of ancillary services shall be determined in the same manner as the reasonable cost of ancillary services provided for inpatient hospital services; covered ancillary services shall be the same as for all other skilled nursing and intermediate care facilities.

Section 2. Rate Review and Adjustment. Any participating facility may appeal its established rates using either the customary appeals mechanism for providers of hospital inpatient services or for providers of skilled nursing and intermediate care facility services.

Section 3. Eligibility for Reimbursement. A facility shall be eligible for reimbursement only when considered to be a participating vendor, and reimbursement shall be made only for covered services rendered eligible Title XIX recipients meeting patient status as determined in accordance with applicable administrative regulations.

Section 4. The amendments to this administrative regulation shall be effective with regard to services provided on or after July 1, 1987. (9 Ky.R. 99; eff. 8-11-1982; Recodified from 904 KAR 1:042, 5-2-1986; 14 Ky.R. 310; eff. 9-10-1987; 15 Ky.R. 688; eff. 9-21-1988.)